

Wilson Telephone Company, Inc. (SAC 411849)*Statement Regarding Ability to Remain Functional in Emergency Situations*

47 CFR § 54.313(a)(6) & § 54.202(a)(2)

Form 481, Line 610

Wilson Telephone Company, Inc. (Wilson) is an incumbent local exchange carrier operating in the state of Kansas, and is an eligible telecommunications carrier (ETC) designated by the Kansas Corporation Commission (KCC). As such, Wilson is subject to the regulatory authority of the KCC and operates under the relevant rules and laws of the state of Kansas.

Wilson has both battery and onsite generators in case of outside power failure. These facilities are sized to handle the load present at each of its offices. A fiber ring provides alternative routing in case of facility damage. The ring capacity is able to handle spikes in traffic load.

Wilson Telephone Company, Inc. (SAC 411849)*Statement Regarding Voice Rate Comparability*

47 C.F.R. § 54.313(a)(10)

Form 481, Line 1010

Wilson Telephone Company, Inc. is a rural, rate of return regulated incumbent local exchange carrier operating in the state of Kansas, and is an eligible telecommunications carrier (ETC) designated by the Kansas Corporation Commission (KCC). As such, Wilson Telephone Company, Inc. is subject to the regulatory authority of the KCC and operates under the relevant rules and laws of the state of Kansas.

Wilson Telephone Company, Inc. hereby certifies that the pricing of its voice services is no more than two standard deviations above the national average urban rate for voice service, \$47.48, as specified in the April 16, 2015 Public Notice issued by the Wireline Competition Bureau of the Federal Communications Commission.

Wilson Telephone Company, Inc.'s monthly residential voice service rate for each exchange, including state fees and the federal subscriber line charge (SLC) is \$25.06.

THE STATE CORPORATION COMMISSION
OF KANSASGENERAL EXCHANGE TARIFF
Section 3
12th Revised Sheet 13. LOCAL SERVICES3.1 Local Exchange Telephone Service - Basic Service Rates

These monthly rates apply to all subscribers of the Company. This rate covers the provision of network access to a local customer location, and entitles the customer to local calls (without long distance toll charges) to all local stations connected to a central office of the exchange, or to all local extended local service areas where comprised of more than one exchange.

		<u>Monthly Rate</u>
(C)	Business Access Line	\$20.00 (I)
(C)	Residence Access Line	\$17.00 (I)
	DID Trunk	\$25.25

3.11 Kansas Universal Service Fund

The Company assesses a fee for funding of the Kansas Universal Service Fund (KUSF), including Kansas Lifeline Service Program (KLSP), and the Kansas Telecommunications Access Program (TAP). These funds were enacted by the Kansas Legislature in 1996, and authorized by the Kansas Corporation Commission on December 27, 1996 in Docket No. 190,492-U. The amount of the fee may vary as determined by the fund administrator.

3.12 Lifeline Service Program

The Lifeline Service (Lifeline) program, sponsored by the Federal Communications Commission, is a program designed to maintain and preserve universal service by providing a reduction in the price of basic residential local exchange service to qualifying low-income customers.

A. General

1. Lifeline is a federally funded reduction of local service charges. Eligible applicants will receive a reduction of \$9.25 on their local telephone bill.
 - (a) Lifeline customers will also receive additional Lifeline service reductions in intrastate local service of \$7.77.
 - (b) The maximum Lifeline benefit should not exceed mandatory customer charges attributable to the provision of local service.

Issued: January 23, 2015

Effective: March 1, 2015

Brian Boisvert, General Manager
Wilson Telephone Company, Inc.
2504 Avenue D, P.O. Box 190
Wilson, Kansas 67490

B. Program Eligibility Requirements

- (T) 1. Lifeline will be provided for one (1) telephone line per household at the customer's principal place of residence where there is only one active local exchange access line to their residential premises or dwelling place.¹ A room or portion of a residence occupied exclusively by an individual not sharing equally as a member of the domestic establishment may be considered a separate dwelling unit (premises). Verification of this requirement will be through self-certification.
- (T) 2. To be eligible for Lifeline assistance, a customer may qualify under either of the following criteria:
- (T) (a) The customer must show they are currently a recipient of benefits from one of the following public assistance programs:
- (T) 1. Bureau of Indian Affairs General Assistance
- (N) 2. Food Distribution Program
3. Food Distribution Program on Indian Reservations
4. Free School Lunch Program
5. General Assistance
6. Low Income Energy Assistance Program (LIEAP)
7. Medicaid
8. Section 8 Federal Public Housing Program
9. Supplemental Nutrition Assistance Program
10. Supplemental Security Income (SSI)
11. Temporary Assistance for Needy Families
12. Tribally Administered Free School Lunch Program
13. Tribally Administered Head Start (only those meeting its income qualifying standard)
- (T) 14. Tribally Administered Temporary Assistance for Needy Families

The customer must obtain and provide to the Company a copy of a valid identification card or the appropriate documents that are issued to them by the agency administering the program.

(D)

(D)

¹ A residential premises or dwelling place is that location where a customer resides, even if such residential premises or dwelling place is only a single room. Lifeline will not be provided if the customer has access to other local exchange telephone service within the residential premises or dwelling place, provided/owned by himself/herself or owned/provided by others. If, however, it can be determined by the Company that access to other existing local exchange telephone service owned/provided by others is virtually denied, or is inaccessible to the customer, then Lifeline service will be provided.

- (b) A customer shall be eligible for the Lifeline Service program if that customer's household income level is at or below 150% of the federal poverty level. Such customers may obtain a form from the Company suitable for self-certification of income level, and provide the completed form to the Company to begin service under the program. Proof of income is required. Acceptable documentation may include the prior year's federal, state, or tribal tax return, or other forms of income certification. Customers should contact the Company for specific details.

(D)

C. Certification

1. The customer will certify eligibility for Lifeline service. Re-certification is required annually or at anytime the qualifying criteria for the customer changes.
2. Recipients of Lifeline service must notify the Company when they no longer qualify for Lifeline service. Upon receipt of the notification, the Company will discontinue Lifeline service.
3. If the Company discovers that conditions exist that disqualify the recipient of Lifeline service, local service will be billed at the full rate. The customer will be billed retroactively either to the date Lifeline service commenced or the date the recipient no longer qualified for the service, not to exceed twelve (12) months.

D. Rules and Regulations

1. Local service for Lifeline customers may be disconnected for non-payment of toll charges.
2. Toll restriction service will be provided to Lifeline customers at no charge.
3. Lifeline customers may be required to accept toll restriction service as a condition to avoid disconnection of local service for non-payment of toll.
4. Lifeline customers are not required to pay a deposit in order to obtain local service if the customer voluntarily elects installation of toll restriction service.
5. Partial payments from Lifeline customers will be applied first to local service charges and then to toll charges.
6. Lifeline customers will not be denied re-establishment of service on the basis that the customer was previously disconnected for non-payment of toll charges.
7. Lifeline will not be furnished on a foreign exchange service arrangement.

E. Credit and Collections

(T)

1. If a Lifeline applicant is known to have a poor credit history, a deposit may be required.

- (T) 2. Once service has been established for a Lifeline customer, he/she will be subject to bill payment policies contained in this Tariff applicable to all customers.

(D)

3.2 Public Telephone Service

3.21 General

- A. A public telephone is an exchange station installed at the Company's option, equipped with a coin collecting device, at various locations within the exchange chosen or accepted by the Company as suitable and necessary for furnishing service to the general public. Location of all pay phones shall be at the sole discretion of the Company.
- B. Persons with whom arrangements are made by the Company for the installation of public telephones are considered as agents of the Company in serving the public.
- C. Public telephones are installed upon the agent signing established forms of application, without specific term, terminable by either an agent or the Company upon written notice.
- D. No listings in the directory or extension stations are allowed in connection with public telephone service.
- E. The Company may furnish public telephones without coin collecting equipment in selected locations for the purpose of satisfying demand for optional billing services on an originating basis only. In the normal mode, coinless public telephone service affords transients the option of selecting a preferred billing arrangement for outgoing messages: charging to a third number or to a telephone company credit card account, or placing calls collect. In certain locations, however, calls will be billed on a collect basis only.
- F. As in the case of public telephones, the Company is solely responsible for determining locations appropriate for installation of coinless public telephones. The criteria for establishment of Coinless Service are potential usage and revenues, and public need and convenience.

3.22 Rates

A charge of \$0.25 applies for each local call originated through public pay station instruments. Standard long distance toll charges apply to all long distance calls. No charges are applied to connection with the Company's repair clerk, business office or any of its duly authorized officials.

3.3 Semipublic Telephone Service

3.31 General

- A. Semipublic telephone service is an arrangement under which a customer station is equipped with a coin collection device designed for a combination of customer and public usage, and will be furnished on individual lines only at locations where, in the opinion of the Company, a public telephone is unwarranted.

Issued: June 28, 2012

Effective:

Brian Boisvert, General Manager
Wilson Telephone Company, Inc.
2504 Avenue D, P.O. Box 190
Wilson, Kansas 67490

4. TOLL, ACCESS, AND VERTICAL SERVICES

4.1 Long Distance Toll Telephone Service

4.11 Message Telecommunications Service

The Company jointly furnishes long distance toll services to its customers in concurrence with the currently approved rates, practices, procedures and tariffs of interexchange toll carriers authorized by the State Corporation Commission. Portions of these tariffs are on file with the Company and the entire tariff is on file with the Commission.

4.12 Rate Applicability

Long distance toll charges apply to all completed calls between the Company's exchange areas and other telephone exchange areas.

(C) 4.2 National Directory Assistance Service

4.21 General

- A. National Directory Assistance (NDA) is a service whereby customers may request assistance in determining telephone listing information.
- B. A maximum of two customer listings and/or addresses are available per request. The NDA rate applies per request whether or not a number is provided, including requests for numbers which are non-published or not found. There are no allowances associated with NDA requests.
- C. Charges for NDA are not applicable on calls from customers whose physical or visual handicaps or lack of literacy prevents them from using a telephone directory. Such customers must provide certification from an agency or physician to establish exemption from NDA charges.
- D. Where facilities permit, NDA will be available from hotel/motel and pay telephones.

4.22 NDA Rates

Per NDA request \$0.99

08-WLST-800-TAR (LEC)
Approved
Kansas Corporation Commission
March 17, 2008
/S/ Susan K. Duffy

Issued: February 26, 2008

Effective: April 1, 2008

Brian Boisvert, General Manager
Wilson Telephone Company
Wilson, Kansas

Wilson Telephone Company, Inc. (SAC 411849)*Statement Regarding Ability to Provide Service Upon Reasonable Request*

47 C.F.R. § 54.313(f)(1)(i)

Form 481, Line 3010

Wilson Telephone Company, Inc. hereby certifies pursuant to 47 CFR 54.313(f)(1)(i) that it is taking all reasonable steps to provide, upon reasonable request, broadband service at actual speeds of at least 4 mbps downstream and 1 mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas, and that reasonable requests for such service are met within a reasonable time frame.

Wilson Telephone Company, Inc. (SAC 411849)*Community Anchor Institutions Report*

47 C.F.R. § 54.313(f)(1)(ii)

Form 481, Line 3012

In 2014, Wilson Telephone Company, Inc. began offering broadband service at actual speeds of at least 4 mbps downstream and 1 mbps upstream to the following community anchor institutions:

<u>Number</u>	<u>Name</u>	<u>Address</u>
1	St. Wenceslaus Catholic Church	2811 Avenue D, Wilson, KS 67490
2	Presbyterian Church	395 1st Rd, Wilson, KS 67490
3	Immanuel Lutheran Church	517 29th St, Wilson, KS 67490
4	Methodist Church	611 24th St, Wilson, KS 67490
5	Wilson Chamber of Commerce	506 27th St, Wilson, KS 67490

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.	
		BORROWER NAME Wilson Telephone Company, Inc. (Prepared with Audited Data)	
INSTRUCTIONS- Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.		PERIOD ENDING December, 2014	BORROWER DESIGNATION KS0569

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII

(Check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

Brian Boisvert

3/23/2015

DATE

PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	2,979,879	3,272,418	25. Accounts Payable	291,125	381,671
2. Cash-RUS Construction Fund	500	500	26. Notes Payable	0	0
3. Affiliates:			27. Advance Billings and Payments	33,315	68,138
a. Telecom, Accounts Receivable	0	0	28. Customer Deposits	9,625	10,228
b. Other Accounts Receivable	19,503	7,386	29. Current Mat. L/T Debt	834,432	1,038,708
c. Notes Receivable	0	0	30. Current Mat. L/T Debt-Rur. Dev.	0	0
4. Non-Affiliates:			31. Current Mat.-Capital Leases	0	0
a. Telecom, Accounts Receivable	71,032	73,787	32. Income Taxes Accrued	0	0
b. Other Accounts Receivable	358,800	376,378	33. Other Taxes Accrued	124,593	100,259
c. Notes Receivable	0	0	34. Other Current Liabilities	1,703	0
5. Interest and Dividends Receivable	2,623	1,729	35. Total Current Liabilities (25 thru 34)	1,294,793	1,599,004
6. Material-Regulated	37,297	40,701	LONG-TERM DEBT		
7. Material-Nonregulated	883	1,135	36. Funded Debt-RUS Notes	6,840,710	5,312,272
8. Prepayments	78,161	75,160	37. Funded Debt-RTB Notes		
9. Other Current Assets	0	0	38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)	3,548,678	3,849,194	39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development	422,301	302,301	42. Reacquired Debt		
b. Nonrural Development	0	0	43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development	0	0	45. Other Long-Term Debt		
b. Nonrural Development	10,000	10,000	46. Total Long-Term Debt (36 thru 45)	6,840,710	5,312,272
13. Nonregulated Investments	0	0	OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets	200,000	0	47. Other Long-Term Liabilities	631,513	786,632
15. Deferred Charges	0	0	48. Other Deferred Credits		
16. Jurisdictional Differences	0	0	49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)	632,301	312,301	50. Total Other Liabilities and Deferred Credits (47 thru 49)	631,513	786,632
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service	23,817,989	23,979,697	51. Cap. Stock Outstand. & Subscribed	370,000	370,000
19. Property Held for Future Use	930,577	0	52. Additional Paid-in-Capital	0	0
20. Plant Under Construction	0	666,822	53. Treasury Stock	(269,850)	(269,850)
21. Plant Adj., Nonop. Plant & Goodwill	0	0	54. Membership and Cap. Certificates	0	0
22. Less Accumulated Depreciation	13,952,556	14,361,508	55. Other Capital	124,488	146,564
23. Net Plant (18 thru 21 less 22)	10,796,010	10,285,011	56. Patronage Capital Credits	0	0
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins	5,985,335	6,501,884
			58. Total Equity (51 thru 57)	6,209,973	6,748,598
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		
	14,976,989	14,446,506		14,976,989	14,446,506

Total Equity = 46.71% of Total Assets

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OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

KS0569

PERIOD ENDING

December, 2014

INSTRUCTIONS- See RUS Bulletin 1744-2

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	2,510,341	2,699,120
2. Network Access Services Revenues	3,254,576	3,518,624
3. Long Distance Network Services Revenues	0	0
4. Carrier Billing and Collection Revenues	16,305	13,804
5. Miscellaneous Revenues	47,982	44,256
6. Uncollectible Revenues	1,404	379
7. Net Operating Revenues (1 thru 5 less 6)	5,827,800	6,275,425
8. Plant Specific Operations Expense	1,424,522	1,402,116
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	428,963	559,526
10. Depreciation Expense	1,552,018	1,335,327
11. Amortization Expense	5,758	4,202
12. Customer Operations Expense	377,419	476,942
13. Corporate Operations Expense	1,168,679	1,110,961
14. Total Operating Expenses (8 thru 13)	4,957,359	4,889,074
15. Operating Income or Margins (7 less 14)	870,441	1,386,351
16. Other Operating Income and Expenses	0	0
17. State and Local Taxes	0	0
18. Federal Income Taxes	0	0
19. Other Taxes	243,155	184,146
20. Total Operating Taxes (17+18+19)	243,155	184,146
21. Net Operating Income or Margins (15+16-20)	627,286	1,202,205
22. Interest on Funded Debt	316,833	322,104
23. Interest Expense - Capital Leases	0	0
24. Other Interest Expense	17	13
25. Allowance for Funds Used During Construction	88,047	4,061
26. Total Fixed Charges (22+23+24-25)	228,803	318,056
27. Nonoperating Net Income	345,745	163,962
28. Extraordinary Items	0	0
29. Jurisdictional Differences	0	0
30. Nonregulated Net Income	21,426	34,438
31. Total Net Income or Margins (21+27+28+29+30-26)	765,654	1,082,549
32. Total Taxes Based on Income	0	0
33. Retained Earnings or Margins Beginning-of-Year	5,894,681	5,985,335
34. Miscellaneous Credits Year-to-Date	0	0
35. Dividends Declared (Common)	675,000	566,000
36. Dividends Declared (Preferred)	0	0
37. Other Debits Year-to-Date	0	0
38. Transfers to Patronage Capital	0	0
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	5,985,335	6,501,884
40. Patronage Capital Beginning-of-Year	0	0
41. Transfers to Patronage Capital	0	0
42. Patronage Capital Credits Retired	0	0
43. Patronage Capital End-of-Year (40+41-42)	0	0
44. Annual Debt Service Payments	1,002,861	1,162,184
45. Cash Ratio [(14+20-10-11) / 7]	0.6251	0.5950
46. Operating Accrual Ratio [(14+20+26) / 7]	0.9316	0.8591
47. TIER [(31+26) / 26]	4.3463	4.4036
48. DSCR [(31+26+10+11) / 44]	2.5450	2.3577

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

KS0569

PERIOD ENDED

December, 2014

Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1	R-1	BUSINESS	RESIDENTIAL	TOTAL	TOTAL (including fiber)	FIBER
	(a)	(b)	(a)	(b)	(c)	(a)	(b)
Brookville	19.75	16.75	16	152	168	128.03	128.03
Denmark	19.75	16.75	5	29	34	42.86	21.93
Tipton	19.75	16.75	49	162	211	109.11	109.01
Lucas	19.75	16.75	68	156	224	126.00	125.87
Sylvan Grove	19.75	16.75	51	180	231	139.92	52.08
Hunter	19.75	16.75	18	83	101	114.95	60.26
Wilson	19.75	16.75	156	337	493	206.68	72.49
MobileWireless					0		
Route Mileage Outside Exchange Area						39.57	39.57
Total			363	1,099	1,462	907.12	609.24
No. Exchanges	7						

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

KS0569

PERIOD ENDED

December, 2014

Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

4. BROADBAND SERVICE

Details on Least Expensive Broadband Service

EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Brookville	168	127	13	1,500	512	22.85	Package	Fiber to the Home
Denmark	34	28	0	1,500	512	22.85	Package	DSL
Tipton	211	150	20	1,500	512	22.85	Package	Fiber to the Home
Lucas	224	127	25	1,500	512	22.85	Package	Fiber to the Home
Sylvan Grove	231	134	12	1,500	512	22.85	Package	DSL
Hunter	101	62	0	1,500	512	22.85	Package	DSL
Wilson	493	300	28	1,500	512	22.85	Package	Fiber to the Home
Total	1,462	928						

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION KS0569 <hr/> PERIOD ENDING December, 2014
INSTRUCTIONS- See RUS Bulletin 1744-2	

PART D. SYSTEM DATA				
1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile
4	14	1,031	1.42	1.61

PART E. TOLL DATA	
1. Study Area ID Code(s) a. 411849 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____	2. Types of Toll Settlements (Check one) <div style="display: flex; justify-content: space-between;"> <div> Interstate: <input type="checkbox"/> Average Schedule Intrastate: <input type="checkbox"/> Average Schedule </div> <div> <input checked="" type="checkbox"/> Cost Basis <input checked="" type="checkbox"/> Cost Basis </div> </div>

PART F. FUNDS INVESTED IN PLANT DURING YEAR	
1. RUS, RTB, & FFB Loan Funds Expended	0
2. Other Long-Term Loan Funds Expended	
3. Funds Expended Under RUS Interim Approval	
4. Other Short-Term Loan Funds Expended	
5. General Funds Expended (Other than Interim)	161,707
6. Salvaged Materials	
7. Contribution in Aid to Construction	
8. Gross Additions to Telecom. Plant (1 thru 7)	161,707

PART G. INVESTMENTS IN AFFILIATED COMPANIES					
INVESTMENTS (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year (b)	Income/Loss This Year (c)	Cumulative Investment To Date (d)	Cumulative Income/Loss To Date (e)	Current Balance (f)
1. Investment in Affiliated Companies - Rural Development	(120,000)		302,301		302,301
2. Investment in Affiliated Companies - Nonrural Development					

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER DESIGNATION

KS0569

PERIOD ENDING

December, 2014

PART H. CURRENT DEPRECIATION RATES

Are corporation's depreciation rates approved by the regulatory authority
with jurisdiction over the provision of telephone services? (Check one)



YES



NO

EQUIPMENT CATEGORY

DEPRECIATION RATE

1. Land and support assets - Motor Vehicles	23.25%
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	19.09%
5. Land and support assets - Buildings	4.23%
6. Land and support assets - Furniture and Office equipment	15.92%
7. Land and support assets - General purpose computers	16.70%
8. Central Office Switching - Digital	9.70%
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	10.00%
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	
17. Information origination/termination - Other terminal equipment	
18. Cable and wire facilities - Poles	
19. Cable and wire facilities - Aerial cable - Metal	
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	
22. Cable and wire facilities - Underground cable - Fiber	
23. Cable and wire facilities - Buried cable - Metal	5.15%
24. Cable and wire facilities - Buried cable - Fiber	5.15%
25. Cable and wire facilities - Conduit systems	
26. Cable and wire facilities - Other	

USDA-RUS		BORROWER DESIGNATION KS0569	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		PERIOD ENDED December, 2014	
INSTRUCTIONS – See help in the online application.			
PART I – STATEMENT OF CASH FLOWS			
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		2,980,379	
CASH FLOWS FROM OPERATING ACTIVITIES			
2. Net Income		1,082,549	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities			
3. Add: Depreciation		1,335,327	
4. Add: Amortization		4,202	
5. Other (Explain) See Audited Financial Statements		45,528	
Changes in Operating Assets and Liabilities			
6. Decrease/(Increase) in Accounts Receivable		(8,216)	
7. Decrease/(Increase) in Materials and Inventory		(3,656)	
8. Decrease/(Increase) in Prepayments and Deferred Charges		3,001	
9. Decrease/(Increase) in Other Current Assets		0	
10. Increase/(Decrease) in Accounts Payable		90,546	
11. Increase/(Decrease) in Advance Billings & Payments		34,823	
12. Increase/(Decrease) in Other Current Liabilities		(26,037)	
13. Net Cash Provided/(Used) by Operations		2,558,067	
CASH FLOWS FROM FINANCING ACTIVITIES			
14. Decrease/(Increase) in Notes Receivable		0	
15. Increase/(Decrease) in Notes Payable		0	
16. Increase/(Decrease) in Customer Deposits		603	
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		(1,324,162)	
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		155,119	
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		22,076	
20. Less: Payment of Dividends		(566,000)	
21. Less: Patronage Capital Credits Retired		0	
22. Other (Explain) See Audited Financial Statements		(336,188)	
23. Net Cash Provided/(Used) by Financing Activities		(2,048,552)	
CASH FLOWS FROM INVESTING ACTIVITIES			
24. Net Capital Expenditures (Property, Plant & Equipment)		102,047	
25. Other Long-Term Investments		120,000	
26. Other Noncurrent Assets & Jurisdictional Differences		200,000	
27. Other (Explain) See Audited Financial Statements		(639,023)	
28. Net Cash Provided/(Used) by Investing Activities		(216,976)	
29. Net Increase/(Decrease) in Cash		292,539	
30. Ending Cash		3,272,918	

Revision Date 2010

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